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STATEMENT OF POLICY  
THE BOARD OF DIRECTORS

TEXAS INSTRUMENTS INCORPORATED

November 28, 1973

SUBJECT: TOP OFFICER AND DIRECTOR RETIREMENT PRACTICES

This Statement of Policy states the subject general policy and provides for its specific implementation.

I. POLICY

Achieving the long-range corporate objective of Texas Instruments requires the continued maintenance of TI's organizational health. To assure this, there must be a planned, orderly succession of competent and experienced top officers, that is, the Chairman of the Board, President and Executive Vice Presidents. There also must continue to be sufficient promotion opportunities at top officer and lower management levels to assure emerging management talent becoming visible early in their careers.

For the purposes of encouraging thoughtful planning for top officer succession and of continuing the desired corporate environment of opportunity for developing managers, the three following policies of the Board of Directors are being stated:

- i. Optional early retirement, after completing minimum service requirements, is available for top officers, and is generally expected for Executive Vice Presidents.
- ii. Retirement of top officers is required before the normal retirement age in TI's Pension Plan.
- iii. Top officers retiring early will agree not to compete with TI after retirement and will receive payments as consideration for entering into a non-competition agreement.

In addition to achieving the purposes expressed, implementation of these policies should make available desirable candidates as a future member of the TI Board of Directors.

A. OPTIONAL EARLY RETIREMENT FROM TOP OFFICER POSITIONS

It is generally expected that Executive Vice Presidents will elect optional early retirement after their 55th birthday and after completion of the specified minimum service as Executive Vice President.